

DIVISION OF STATE LANDS & FORESTRY

DEPARTMENT OF NATURAL RESOURCES ROOM 411 EMPIRE BUILDING 231 EAST 400 SOUTH SALT LAKE CITY, UTAH 84111 (801) 533-5381

Gordon E. Harmston Executive Director Dept. of Natural Resources

William K. Dinehart Director

The Sum Company c/o Coffman & Coffman 59 East Center Street Moab, UT 84532

RE: ML 33315 MM

Gentlemen:

March 17, 1981 MAR 20 1981

> **DIVISION OF** OIL. GAS & MINING

I am in receipt of your \$10,000 performance bond for the Chum Mine and will recommend to the Director that it be accepted on March 16, 1981. Upon conferring with the Division of Oil, Gas, and Mining, your plan for mining and reclamation also appears acceptable. The only remaining question seems to be with respect to the disposal plan for mine water, and we will hopefully soon hear from the Department of Health on that matter. Pending approval from the Health Department, your operation may proceed as per your mining and reclamation plan.

Please take note that no royalty reports have yet been received. Royalties must be submitted on a timely basis in accordance with the lease, and accompanied by a 6% penalty fee when submitted late.

Sincerely yours,

JTB:mh

cc: Ann Stirba Assistant A.G. BUILDING

> Jim Smith Div. of Oil, Gas, & Mining 1588 West North Temple Salt Lake City, UT 84116

JOHN T. BLAKE MINERAL RESOURCE SPECIALIST

Steve McNeil Div. of Environmental Health P. O. Box 2500 Salt Lake City, UT 84110

D. D. Willis Plateau Resources, Ltd. 772 Horizon Drive Grand Junction, CO 81501